(860) 390-1412 PO Box 232 Clinton, CT 06413

## Testimony in Support of SB 979

An Act Promoting Energy Affordability, Energy Efficiency, and Green Cities

**To:** Honored Chairs Sen. Lopes and Rep. Gresko, Vice Chairs Sen. Hochadel and Rep. Palm, Ranking Members Sen. Harding and Rep. Callahan and Distinguished Members of the Environment Committee

From: Connecticut Roundtable on Climate and Jobs

On behalf of the Connecticut Roundtable on Climate and Jobs, thank you for the opportunity to submit testimony supporting SB 979, An Act Promoting Energy Affordability, Energy Efficiency, and Green Cities. The Connecticut Roundtable on Climate and Jobs builds alliances among diverse constituencies to combat climate change, create jobs and promote racial, economic, and climate justice. The Roundtable seeks to build a worker-oriented environmental movement committed to securing a fair and just transition that protects not only the environment but also the livelihoods of workers and their communities.

The building sector is a significant source of greenhouse gas emissions and decarbonization in the building sector has not kept pace with decarbonization in the electricity and transportation sectors. SB 979 takes positive steps to decrease building energy use and to increase energy affordability.

## **Section 2: Energy Transparency**

CRCJ strongly supports energy labeling requirements for energy cost transparency. As energy costs rise, energy transparency can help families consider and prepare for these costs when renting. It will also incentivize landlords to make energy efficiency improvements to their properties, further benefitting renters and reducing the state's high energy burden. The process for developing energy labels outlined in SB 979 is sensible as it requires public participation, aligns with existing standard labels, and leaves sufficient regulatory flexibility for the subject matter experts at the Department of Energy and Environmental Protection to determine how the energy labeling program should be tailored to Connecticut. In developing the labels, tenants' ability to read and understand the label and what it means to them should be a priority.

Public participation in the development of Connecticut's home energy label is essential. A robust public participation process will result in a label that's useful for all stakeholders and will also provide an opportunity to educate the public about the value of energy efficiency.

Energy labels will have the greatest impact in promoting energy use transparency when they are readily available. We support the provision in SB 979 that landlords must share energy labels on online rental listings. We join other advocates in suggesting that the burden to disclose the energy label should fall on the landlord; renters should not have to request the label. Accordingly, the language could be strengthened by requiring disclosure of the energy label upon receipt of a rental application.

How the program is implemented will determine its effectiveness. Because there are various methods to develop energy labels that don't rely on in-person energy audits, we do not need to phase in implementation as we scale up that workforce. Phasing implementation by energy burden in the town's census tracts as the bill language currently requires may result in market inequities for tenants and landlords as it is common for tenants to look for apartments in more than one town and for building owners to own property in more than one town. If the highest energy burden municipalities that tend to host the lowest-resourced and highest-need populations can implement energy labeling in 2025, then the state's wealthiest and best-resourced towns also should be able to. For these reasons, we join others in suggesting that the energy labeling program be implemented and enforced statewide without a phase-in. We recommend a statewide enforcement approach to ensure consistent implementation and consumer protection of all Connecticut residents as well as to avoid burdening municipalities. These efforts would be supported by including a budget for initial and ongoing public education and outreach for effective implementation.

CRCJ supports the exemption for units that include utilities since renters know those costs upfront but recommends eliminating exemptions for buildings constructed after 2000 and owner-occupied rentals. There is no guarantee that newer buildings are constructed to be more energy efficient than older buildings that have undergone some energy efficiency retrofits. Further, even tenants of owner-occupied rentals can benefit from the information on an energy label in deciding where to live; if these tenants are not impacted by energy costs they will be covered under the exemption for units where rent includes the cost of utilities.

## **Section 4: Municipal Stretch Code**

In addition to establishing an energy labeling program, SB 979 would allow municipalities to optionally adopt a more stringent energy code than the base state energy code. Municipalities want the ability to ensure that new construction will not increase local air pollution; SB 979 would give municipalities that choice. For the stretch code to be effective it is important to include a process for development, education, interpretation, and enforcement. The development of a statewide stretch code should be managed by the Office of the State Building Inspector (OSBI) and the Codes and Standards Committee including opportunities for public comment.

The stretch code should be designed to promote high building efficiency standards without being so strict as to limit its adoption. We strongly support the inclusion of energy efficiency targets but recommend encouraging rather than requiring renewable energy installations, which may not be practical for every project. Alongside other clean energy advocates, we prefer the stretch code to require "Zero Energy Ready" construction which optimizes performance and efficiency so all or most annual energy consumption can be offset with renewable energy. Without mandating solar, a requirement for solar-ready infrastructure would be appropriate to avoid costly retrofits to add solar in the future. To increase the adoption of the stretch code, the state can provide municipal incentives. For example, Massachusetts municipalities must adopt a stretch code to receive the Green Community Designation that unlocks access to clean energy grants and technical support.

In addition to setting energy efficiency standards and encouraging renewable energy installations, the code should include embodied carbon reduction of building materials and construction, which are

often left out of the conversation about building emissions. Reducing embodied carbon is critical for addressing climate change. Further, the stretch code can include efficiency targets for water fixtures to promote water conservation.

The stretch code program can be designed to support compliance. A clear process should be provided for projects that request code modifications. The code can identify alternate compliance paths such as Passive House, LEED Gold, or Living Building certifications to streamline compliance and enforcement. To ensure stakeholders are prepared to comply, the bill should include a budget for education for contractors, architects, and other building professionals and training for local code officials. There also should be funding allocated for enforcement.

## **Section 7: Urban Tree Cover**

CRCJ strongly supports increasing tree canopy in urban areas to improve air quality and reduce the urban heat island effect.

Thank you for your consideration of this important bill.

Sincerely,

Aziz Dehkan, Executive Director
Allison Pilcher, Policy Director
Connecticut Roundtable on Climate and Jobs
<a href="https://www.ctclimateandjobs.org">www.ctclimateandjobs.org</a>